

Decision PROPOSED DECISION OF ALJ ROSCOW (Mailed 8/12/2016)

**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Application of Pacific Gas and Electric Company  
for Approval of 2013-2014 Statewide Marketing,  
Education and Outreach Program and Budget  
(U39M).

Application 12-08-007  
(Filed August 2, 2012)

And Related Matters.

Application 12-08-008  
Application 12-08-009  
Application 12-08-010

**DECISION APPROVING IMPLEMENTER  
FOR THE 2017-2019 STATEWIDE MARKETING,  
EDUCATION, AND OUTREACH PROGRAM  
AND PROVIDING GUIDANCE FOR 2017 ACTIVITIES**

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**DECISION APPROVING IMPLEMENTER  
FOR THE 2017-2019 STATEWIDE MARKETING,  
EDUCATION, AND OUTREACH PROGRAM  
AND PROVIDING GUIDANCE FOR 2017 ACTIVITIES**

**Summary**

In this decision the Commission continues to refine and strengthen the Statewide Marketing, Education and Outreach program that we began to implement in 2014. The purpose of that program is to promote energy efficiency and related energy management actions by residential and small business customers.

In this decision we take the following actions:

- The Commission fulfills its commitment to utilize a competitive solicitation process to select the entity that will implement and administer the Statewide Marketing, Education and Outreach (ME&O) program beginning in 2017, and approves the results of that process;
- The Commission establishes a collaborative, record-based process to be followed by the statewide ME&O implementer, local program administrators, and other stakeholders to develop a five-year ME&O Strategic Roadmap and the first Annual Joint Consumer Action Plan for Statewide ME&O;
- The Commission provides guidance for that collaborative process based on parties' comments in the record of this proceeding;
- The annual budget allocations for the Statewide ME&O program for the 2017-2019 period are established.

This proceeding remains open to consider ongoing evaluation, measurement and verification studies related to the program and the results of the collaborative process established in this decision.

## 1. Procedural Background

In Decision (D.) 13-12-038, the Commission adopted a comprehensive statewide ME&O plan for residential and small business energy management for 2014-2015.<sup>1</sup> In doing so, the Commission declined to approve the ME&O plans filed in 2012 by the utilities. Instead, the Commission designated the Center for Sustainable Energy (CSE) to implement and administer the Energy Upgrade California (EUC) brand according to an alternative plan that CSE itself had submitted in the proceeding, with certain modifications specified by the Commission.<sup>2</sup> The Commission also determined the annual budget and task-specific budget allocations for the 2-year 2014-2015 implementation period.

In D.13-12-038 the Commission went into considerable detail addressing concerns expressed by the utilities regarding the Commission's adopted approach. The Commission addressed and resolved disputed positions on (1) the role of CSE, as the designated program implementer, in implementing the adopted statewide ME&O program, (2) the adopted plan itself, (3) the adopted marketing strategy, (4) proposed marketing tactics and channels, (5) the adopted governance structure for the Statewide ME&O program, and (6) the adopted budget.

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<sup>1</sup> For the full history of the Commission's actions and intentions regarding statewide marketing and consumer education, which dates to 2006, *see* D.16-03-029, "Background and Procedural History."

<sup>2</sup> In past decisions, we have used the terms "statewide administrator" and "statewide implementer" interchangeably. To avoid confusion we now standardize our reference to the "statewide implementer" of the statewide ME&O program.

In D.13-12-038 the Commission anticipated that the scope of the statewide ME&O program following the 2014-2015 period would be decided in an energy efficiency rulemaking, rather than the instant Applications. However, for reasons of timing this proceeding emerged as the logical choice for the Commission's continued consideration of matters regarding the program. After further procedural steps, the Commission approved one year of bridge funding for CSE to continue to conduct statewide ME&O activities in 2016.<sup>3</sup> In that decision, the Commission also agreed with recommendations made by several parties that the Commission should develop a record on the benefits of conducting an open competitive solicitation to award the responsibility for implementation of the statewide ME&O program beginning in 2017.<sup>4</sup> Thus, on October 26, 2015, the assigned Commissioner further amended the scope of the proceeding (October 2015 Amended Scoping Memo) to establish a third phase of this proceeding "to develop a record on the benefits of an open solicitation to select an implementer of the Commission's statewide Marketing, Education, and Outreach program for 2017 and onward." The assigned Commissioner determined that Phase 3 would rely on a record-building process based on several rounds of written comments responding to questions posed in the October 2015 Amended Scoping Memo.

In framing the questions posed to parties in the October 2015 Amended Scoping Memo, the assigned Commissioner also identified several matters deemed important for the Commission to consider in order to provide guidance for the post-2016 statewide ME&O program. These matters were the subject of six questions regarding the program's vision and goals, the structure of statewide ME&O, the means for

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<sup>3</sup> D.15-08-033, Ordering Paragraphs 1 and 2.

<sup>4</sup> D.15-08-033, Ordering Paragraph 3.

choosing the next program implementer, the post-2016 budget, and governance of the program, including contract management.

In D.16-03-029, its decision addressing the Phase 3 issues, the Commission established a competitive solicitation process to select the entity that will implement and administer the program beginning in 2017. The Commission also revised and reinforced its vision and goals for the program beginning in 2017, and modified the governance structure of the program. With respect to the governance plan, the Commission observed that many of the recommendations of parties on this topic were more appropriate for a petition for modification of D.13-02-038.<sup>5</sup> However, the Commission also recognized a more immediate need to begin to improve coordination of local program administrator marketing with statewide activities, and therefore enhanced the governance structure of the statewide ME&O program so that it is based upon an integrated planning process that includes preparation of a five-year “ME&O Strategic Roadmap” and annual “Joint Consumer Action Plans.”<sup>6</sup>

Finally, the Commission adopted a schedule that included a workshop to discuss parties’ recommendations regarding implementation of the revised vision and goals for the program adopted in D.16-03-029; the strategies and objectives necessary to achieve those goals; and parties’ recommendations regarding the program budget and governance structure for 2017 and beyond. The workshop was to be conducted shortly after the expected release of the results of two Commission-ordered evaluation, measurement, and verification (EM&V) studies related to the program, which were expected to be completed by April, 2016. The Commission specified that, because some parties appeared to see significant problems with the Statewide ME&O program as it

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<sup>5</sup> D.16-03-029, Conclusion of Law 7.

<sup>6</sup> *Id.*, Conclusion of Law 8 and Ordering Paragraph (OP) 4.

has been implemented since 2014, the workshop would be facilitated by the assigned Administrative Law Judge (ALJ) in order to consider these topics in the context of whether D.13-12-038 is being implemented in the manner directed by the Commission.

To be clear, in D.16-03-029 the Commission limited itself to first, resolving the matter of the open solicitation process; second, adopting a revised vision and revised goals for the statewide ME&O program; and third, reviewing parties' responses to the other questions in the October 2015 Amended Scoping Memo in order to provide preliminary direction for the open solicitation process and the post-EM&V workshop. The matters left unchanged by D.16-03-029 involved the program strategies adopted in D.13-12-038, the measurable objectives adopted in D.13-12-038, the governance structure adopted in D.13-12-038 (with the exception of the addition of the integrated planning process) and the expected budget for the program beginning in 2017.

The workshop was held on April 14, 2016. On May 2, 2016 the assigned ALJ issued a ruling incorporating material from the workshop into the administrative record of this proceeding.<sup>7</sup> Post-workshop comments were filed on April 22, 2016 by Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), jointly by San Diego Gas & Electric Company (SDG&E) and Southern California Gas Company (SoCalGas) (Joint Sempra Utilities), Greenlining Institute (Greenlining), Marin Clean Energy (MCE) and the Center for Sustainable Energy (CSE). Reply comments were filed on May 20, 2016 by PG&E, SCE, the Joint Sempra Utilities, the Commission's Office of Ratepayer Advocates (ORA), Greenlining, and the Center for Accessible Technologies (CforAT).

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<sup>7</sup> This material consisted of (1) the Statewide ME&O Verification and Integrated Effectiveness Study prepared by Opinion Dynamics Corporation; (2) workshop slides prepared by Commission staff; (3) workshop slides prepared by the program evaluator, Opinion Dynamics Corporation; and (4) workshop notes prepared by Commission staff.



On April 21, 2016 the assigned ALJ issued a ruling pursuant to D.16-03-029, directing PG&E, SCE, SDG&E and SoCalGas to file and serve detailed summaries of their annual budgets for ratepayer-funded marketing, education and outreach activities, along with supporting workpapers, for the period 2013-2016. The utilities filed and served this information on May 20, 2016.

The competitive solicitation process began shortly after the issuance of D.16-03-029 and culminated on August 2, 2016 with the selection of the winning bidder. Therefore, the purposes of this decision are twofold: first, to review and approve the process used to select the winning bidder that shall serve as the Statewide ME&O program implementer for 2017 through 2019; and second, to provide guidance to this new program implementer and other stakeholders based upon the post-EM&V workshop and parties' comments following that workshop.

## **2. Selection of the Statewide ME&O Program Implementer for 2017-2019**

In D.16-03-029 the Commission found that a three-year contract to implement the statewide ME&O program from 2017 through 2019 could coincide with a Commission requirement for a strategic ME&O plan for the same period, and would be consistent with the new Energy Efficiency Rolling Portfolio Business Plans that the utilities have proposed in the Commission's energy efficiency Rulemaking (R.) 13-11-005. The Commission concluded that a Request for Proposal (RFP) process should be adopted in order to select the entity that will implement the statewide ME&O program beginning in 2017.<sup>8</sup>

In order to ensure the fairness and transparency of the RFP process, the Commission ordered that the process would be led by Commission staff and would

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<sup>8</sup> D.16-03-029, Finding of Fact 1 and Conclusion of Law 1.

allow for collaboration among all interested parties. Ratepayer advocates that are parties in this proceeding and that participated in the RFP process were deemed eligible for intervenor compensation. The Commission also determined that the final bid shall be awarded by Commission decision, with the winning bidder awarded a three-year contract, commencing in October 2016, to administer the Statewide ME&O program from 2017 through 2019. The contract will be renewable for an additional 2-year term (2020 through 2021) if the implementer's performance is successful. The decision to renew or not renew shall be at the Commission's sole discretion.<sup>9</sup>

D.16-03-029 also established a detailed process and schedule to be followed by Commission staff and stakeholders in order to develop and finalize the RFP, conduct the bidding process, and evaluate bids and select the winning bidder. That process concluded with selection of the winning bidder by the RFP scoring committee on August 2, 2016.

We have reviewed the process and conclude that it has been implemented in accordance with our direction in D.16-03-029 and that it was effective in thoroughly reviewing and scoring the competing bids, and in fairly selecting the winning bidder. We therefore approve the results. Because the Commission determined that the winning bidder should be awarded a three-year contract commencing in October 2016, the contract term shall run from October 1, 2016 through September 30, 2019. PG&E shall continue as the fiscal manager of the Statewide ME&O program, and shall submit the final contract and budget to the Commission's Energy Division in a Tier 1 Advice Letter filing as soon as the contract is executed.

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<sup>9</sup> D.16-03-029, OP 1.

Having determined that the process used to select the winning bidder was in compliance with D.16-03-029, in the remainder of this decision we review parties' comments and recommendations regarding the 2017 vision, goals, strategies, performance metrics, governance structure and budget of the program, in order to provide guidance to the new statewide implementer and other stakeholders regarding our intentions and expectations for the conduct of the program from 2017 onwards.

### **3. Guidance for the Statewide ME&O Program**

We begin this section by reviewing the current structure of the Statewide ME&O program to ensure that all stakeholders share a common understanding of the terms we use to describe the program and our expectations for its accomplishments.

The structure of the program begins with our Vision of the outcome that we believe the program can accomplish; we recently refined this Vision in D.16-03-029:

All Californians will be engaged as partners in the state's energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of energy efficiency and their opportunities to act. Statewide marketing, education and outreach should serve as a lead generator for local and regional programs and drive consumers to directly take actions to reduce or manage energy use in other ways.

This Vision is aspirational; in order to provide specific direction to stakeholders regarding their role in helping to achieve this Vision, we next established a Long-term Goal for the program:

Statewide marketing, education and outreach will lead consumers to products, services and rates that empower all Californians to take actions that will lead to lower bills, higher energy efficiency, and more customer-owned renewable energy technologies.

This Long-term Goal describes what could be termed the "end-state" of the Statewide ME&O program: this is what should be happening when all the stakeholders have completed their assigned tasks.

We next established a Short-term Goal, in order to direct stakeholders on the first steps of the path that ends with accomplishment of the Long-term Goal:

The short term goal for the next two years of the statewide marketing, education and outreach program is that Energy Upgrade California is an integrated, umbrella statewide marketing, education and outreach effort that provides California residents and small business owners with information about energy concepts, programs, services, rates and benefits of taking action so that all Californians are empowered to (1) understand their energy use, the opportunities available for them to act, and the benefits of their action, and (2) take well informed action to better manage their energy use.

Next, having articulated our Vision and having described to stakeholders our expected outcome, and indicating the short-term outcome that should be pursued for the next two years, it was necessary to adopt specific actions to be taken by stakeholders in order to achieve the Short-term Goal. We labeled these actions as “Strategies”:

<b>Expand Energy Upgrade California:</b>
Expansion of the Energy Upgrade California brand to become an umbrella brand that includes information about energy management, opportunities available for residential and small business consumers to act, and benefits of their action.
<b>Targeted, Integrated Marketing:</b>
For residential customers- the development of messages that are targeted to specific customer groups, are aligned with local marketing efforts, are integrated, and are delivered using multiple channels including partnerships with a range of energy participants including local governments, retailers, realtors, and community based organizations and that incite residential consumers to take action.
For small business owners- the development of effective integrated tactics and piloting of methods to communicate with small business owners. Segmentation analysis will be used to develop effective integrated tactics and identifies interests, awareness, needs, and barriers to energy efficiency, distributed generation, demand response enabling technologies, and time of use concepts.
<b>Social Marketing:</b>
Use of social marketing techniques to create emotional and intellectual drivers for consumers to make a commitment to change and participate in energy efficiency, demand response, or distributed generation opportunities.
<b>Web portal:</b>
Creation of a web site that enables consumers to identify information, options and actions that are relevant to them and provides them with a path to get more information or take an action.
<b>Statewide, Regional and Local Coordination:</b>
Ongoing information exchange between statewide, regional and local marketing leads, to optimize efficiency of messages and ensure consistency of messages that are communicated to customers that enable consumer action.

Finally, we completed the structure of the program by acknowledging the importance of identifying specific actions that stakeholders should take in order to implement the Strategies listed above: we labeled these specific actions as “Measurable Objectives” and adopted trackable “Metrics” that would be used to verify that the Objectives had been accomplished.

In summary, our adopted structure was intended to ensure that if the Metrics verified that the Objectives were being accomplished, that would in turn verify that the Strategies were being implemented, such that our Short-term Goal was being accomplished, thus moving us closer to our Long-term Goal and ultimately, making our Vision a reality.

We provide this summary of the structure and the process of the program because our second task in today's decision is to provide guidance to the new statewide implementer and other stakeholders regarding our expectations for this unfolding process as we move into 2017. In March 2016, at the time of the Commission's Phase 3 decision, we expected to soon develop the necessary record to provide final guidance, in today's decision, regarding our intentions and expectations for the conduct of the Statewide ME&O program from 2017 onwards, which would enable us to close this proceeding. This plan has turned out to be overly ambitious for several reasons, and we modify the plan accordingly in this decision.

As noted above, in addition to establishing the RFP process, the second major purpose of D.16-03-029 was to respond to parties' recommendations regarding the 2017 vision, goals, strategies, objectives, governance structure and budget of the program. The Commission adopted revisions to its Vision for the program, as well as revised Long- and Short-term Goals intended to accomplish that vision. The Commission also expanded the governance structure to provide for the preparation of a five-year ME&O Strategic Roadmap and annual Joint Consumer Action Plans. In taking these actions, the Commission's purpose was to provide guidance for the upcoming RFP process. However, as noted above, the Commission deferred action on some matters.

The Commission addressed extensive comments and reply comments filed by parties in response to questions posed in the October, 2015 Scoping Memo and stated its intention that operation of the program from 2017 onwards would incorporate the best ideas from those comments. D.16-03-029 adopted modifications to the Statewide ME&O program where sufficient record existed to do so, but the Commission also concluded that information about the results achieved by the program in 2014 and 2015 was not yet available to support an objective evaluation of all of the diverse recommendations offered by parties. The Commission stated its expectation that the

results of two Commission-ordered EM&V studies related to the program would provide additional information on program performance and recommendations for improving implementation of the program adopted in D.13-12-038: “these results will inform the Commission on future program budget needs and implementation strategies for achieving the revised vision and goals adopted in today’s decision.”<sup>10</sup> The Commission concluded that “if necessary, in addition to the changes being adopted in this decision, we will make further substantive modifications to the program in our decision addressing the outcome of the competitive solicitation process.”<sup>11</sup>

Unfortunately, by the time the post-D.16-03-029 workshop was conducted in April, 2016 only one of the two expected studies was completed, and had only been completed 10 days before the workshop. The second study is now expected to be completed in the fourth quarter of 2016.

As will be seen below, a number of parties cautioned the Commission to exercise care with respect to relying on either evaluation to support extensive revisions to the currently adopted strategies, measurable objectives to meet those strategies, roles and responsibilities of stakeholders, and the governance structure of the program. Each of these topics has been the subject of vigorous debate in parties’ comments, and it was our intention to resolve these debates in this decision, supported by the EM&V results. Without the full results in our record, we adopt a different approach for providing this

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<sup>10</sup> D.16-03-029 at 25. The two studies are the *2013-2015 Statewide ME&O Program Verification and Integrated Effectiveness Study* and the *2013-2015 Statewide ME&O Cross-Cutting Process Study*, which evaluated the implementation of select utility- and REN-administered ME&O activities.

<sup>11</sup> *Id.* at 25-26.

guidance, albeit one that is also implicitly contemplated in various parties' comments on specific issues.

In short, we endorse and establish a collaborative, record-based process to be followed by the statewide implementer, local program administrators, and other stakeholders to develop the five-year ME&O Strategic Roadmap and Annual Joint Consumer Action Plans. As explained below, we direct the statewide implementer and other stakeholders to ensure that this process results in final "deliverables" including (1) revised strategies to implement the adopted short- and long-term goals of the program; (2) revised measurable objectives to determine success in implementing the strategies; (3) specific metrics to be used to evaluate the progress and success of the program; and (4) the five-year Strategic Roadmap and the first Annual Joint Consumer Action Plan.

In the remainder of this decision we review the comment-based record to date and on that basis, provide further guidance to the new statewide implementer, the local program administrators, and other stakeholders regarding our expectations for the conduct of the collaborative process and the degree of latitude, whether broad or narrow, that participants shall have in preparing the deliverables listed above.

#### **4. The Post-EM&V Workshop**

In D.13-12-038 we stated "we strongly agree with comments by stakeholders that since the long-term goal of statewide marketing is for residential and small business consumers to take action, at some point performance metrics must measure actions that can be attributed to statewide marketing." (D.13-12-038 at 71-72.) The utilities countered that it is difficult to distinguish between actions that are the result of statewide versus local marketing efforts. We noted we lacked the data to understand the exact challenges associated with coordinating statewide and local efforts while avoiding overlap, but recognized that understanding these efforts is a key component



of developing a statewide marketing program that achieves long term success. Therefore, we directed stakeholders to engage in a collaborative process to create a roadmap for EM&V of statewide and local marketing activities. We directed that the road map should include the types of information that is needed, the types of evaluations that should be conducted, and a timeline for conducting them. We specified that the timeline should enable study results to inform at least part of the next statewide marketing program cycle (D.13-12-038, Conclusion of Law 18).

The first study identified in that roadmap is the “2013-2015 Statewide ME&O Program Verification and Integrated Effectiveness Study.” The roadmap provides this description of that study:<sup>12</sup>

This is a multi-phase study that includes verification, as well as ongoing tracking of effectiveness across statewide ME&O efforts.

The early phase (3a) provides a descriptive snapshot of program activities compared to objectives described in the marketing plans, as well as Decision (D. 13-12-038), and will primarily serve as a documentation effort.

The later phases (3b and 3c) will include measurement of performance against the finalized PPMs and the nine objectives listed in D. 13-12-038. This will also include an assessment of the causal link between the statewide efforts and key ME&O metrics to the extent possible.

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<sup>12</sup> 2013-2016 Energy Division & Program Administrator Energy Efficiency Evaluation, Measurement and Verification Plan, Version 6, at 283.

According to the roadmap, the objectives of the study are:

Phase 3a: To document ME&O activities in comparison to the program's objectives and metrics.

Phase 3b and 3c: To monitor the effectiveness of statewide ME&O efforts.

The Statewide ME&O Program Verification and Integrated Effectiveness Study was conducted by Opinion Dynamics Corporation (ODC or Opinion Dynamics) and completed on April 5, 2016.<sup>13</sup>

The second study identified in the roadmap is the "2013-2015 Statewide ME&O Cross-Cutting Process Study." The roadmap provides this description of that study:<sup>14</sup>

This is a multi-phase study effort designed to provide recommendations and feedback for ME&O efforts conducted by CSE, the IOUs and RENs.

The initial phases involve the review of past research on statewide marketing to understand lessons learned and past recommendations for improvement, including development of a program theory and logic model.

Later phases will focus on documenting how ME&O activities are designed and implemented, how well efforts are going on a tactical level, the review of brand positioning and program pathways, an assessment of consumer perspectives, and an assessment of coordination across statewide and IOU/REN efforts.

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<sup>13</sup> 2013–2015 California Statewide Marketing, Education, and Outreach Program: Verification and Integrated Effectiveness Study, publication date April 5, 2016, Study ID CPU0110.02. Downloadable at [www.calmac.org](http://www.calmac.org)

<sup>14</sup> 2013-2016 Energy Division & Program Administrator Energy Efficiency Evaluation, Measurement and Verification Plan, Version 6, at 284.

According to the roadmap, the objective of the study is:

to document processes, understand customer engagement,  
and look at issues around coordination of ME&O  
implementation between various groups.

The Statewide ME&O Cross-Cutting Process Study is also the responsibility of Opinion Dynamics Corporation. Although the roadmap indicated that the study was scheduled to be completed in the first quarter of 2016, the study was not completed by the time of the workshop. The current estimated completion date is sometime in the fourth quarter of 2016.

Pursuant to Ordering Paragraph 5 of D.16-03-029, the assigned ALJ scheduled and facilitated a workshop on April 14, 2016. While the primary purpose of the workshop was to discuss the results of the two EM&V studies, D.16-03-029 also directed that the workshop agenda should include discussion of the 2017 vision, goals, budget and governance structure of the program, consistent with the revisions and guidance on these topics provided in that decision.<sup>15</sup>

The agenda for the workshop included a “discussion question” for each workshop topic, and most parties organized their post-workshop comments and reply comments to provide responses to these questions. In this section of the decision, we discuss those responses and address the issues identified as necessary. In the interests of brevity and because these comments remain in the record for our reference in the future, we have shortened the comment summaries where possible.

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<sup>15</sup> See D.16-03-029, Conclusion of Law 6: “the workshop ordered by this decision should review the results of the two Commission-ordered EM&V studies related to the statewide ME&O program. The workshop should also include discussion of the post-2016 vision, goals, governance structure and budget of the statewide ME&O program.”

#### **4.1. First Post-Workshop Question: How should the evaluation report for statewide ME&O help inform the RFP for a program implementer for statewide ME&O?**

The first matter addressed in post-workshop comments concerned the “2013-2015 Statewide ME&O Program Verification and Integrated Effectiveness Study” (Statewide Effectiveness Study). As noted above, this is a multi-phase study that includes verification, as well as ongoing tracking of effectiveness across statewide ME&O efforts. The objectives of the three-phase study were to document ME&O activities in comparison to the program’s objectives and metrics and to monitor the effectiveness of statewide ME&O efforts.

In its workshop presentation, Opinion Dynamics described the Statewide ME&O program as “a social marketing campaign implemented under the brand of Energy Upgrade California designed to educate, activate, and motivate Californians to take energy-saving actions.” Opinion Dynamics noted that the statewide implementer, CSE, used a range of marketing channels to engage residential customers and meet program objectives, with a total budget of \$42.8 million for 2014-2015.

Opinion Dynamics summarized the nine objectives established for the Statewide ME&O program by D.13-12-038, and noted that Commission staff, CSE, and stakeholders participated in a process to develop specific metrics by which to judge performance of the program. Opinion Dynamics described these metrics as “limited in scope, but represent[ing] a starting point from which to assess effectiveness” of the program. Opinion Dynamics also noted that the Commission did not finalize these performance metrics until May 2015.

Opinion Dynamics found that the program achieved most of the formal program performance metrics: CSE achieved four of the five metrics for which they were directly responsible, and achieved three of the five targets within the other metric:

Metric	Description	Target	Actual Performance
1	Awareness of Energy Upgrade California	20% aware (aided)	20%
2	Knowledge among IOU ratepayers who are aware of Energy Upgrade California of the specific actions and opportunities communicated by the initiative that they can take to better manage their energy use	25% can identify highlighted programs (aided)	40% - 60%
		25% can identify actions to save energy (unaided)	52%
		25% know to go to the website to learn more (aided) <sup>16</sup>	43%
3	Engagement with Energy Upgrade California website, digital media, social media, and community outreach	Website: 1.3 million unique visitors	907,144
		Website: 25% of visitors view ≥3 pages	21%
		Website: 30% of visitors spend >5 sec on a page	35%
		Social media: 40,000 Facebook fans	48,752
		Digital media: 0.08% click through rate	0.11%

Metric	Description	Target	Actual Performance
4	Participation in and engagement with Energy Upgrade California by CBOs, local governments, retailers, and realtors	Yes/No	Yes - Achieved
5	Small business messaging is researched and piloted	Yes/No	Yes - Achieved
6	RENs and IOUs provide information to CSE and the marketing firm in a timely manner	Yes/No	Yes - Achieved by IOUs/RENS
7	EM&V roadmap for Energy Upgrade California is completed	Yes/No	Yes - Achieved by CPUC

The program also achieved qualitative targets. However, Opinion Dynamics also offered “additional key findings” that it suggests indicate that the overall performance of the program is mixed:<sup>16</sup>

Given the limited scope of the program performance metrics, the evaluation team highlighted several additional areas pertinent to assessing effectiveness of the program:

- Unaided brand awareness remains low;
- Familiarity with the brand has increased significantly ;
- Consumers show moderate levels of energy self-efficacy ;

<sup>16</sup> Opinion Dynamics Workshop Presentation, slides 14-19.

- Consumers were significantly more likely to remember some types of interactions than others; and
- Energy Saving Action: Changes in daily routine are more common than home improvements.

Parties were asked to discuss in comments how this evaluation report should help inform the then-pending RFP that would be used to select the statewide implementer. This question was addressed in comments by PG&E, SCE, the Joint Sempra Utilities and Greenlining. Some parties did not limit their comments to the RFP process, expanding to address broader themes that emerged from this EM&V study. Since the RFP process is completed and the same stakeholders participated directly in that process, we focus our discussion below on the broader themes raised in the comments.

#### **4.1.1. PG&E**

PG&E appeared to base its comments on a draft version of the report, rather than the final version, dated April 5, 2016.<sup>17</sup> As such, we do not address PG&E's specific criticisms of the draft report, but we acknowledge PG&E's broader recommendations: evaluation of statewide ME&O must relate to the goals of the program, and performance metrics for future statewide ME&O evaluations should be developed by evaluation experts, and those metrics should reflect the learning from prior evaluations.

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<sup>17</sup> PG&E references the "draft" report and cites pages, tables and figures that appear to have been renumbered by the time of the final report.

#### **4.1.2. SCE**

SCE recommends that the RFP process and the Commission's decision address two areas.

First, SCE recommends a "focus on establishing specific and measurable metrics that align with the statewide ME&O program's key objectives." SCE suggests that the metrics that were ultimately adopted by the Commission in 2015 "focus more on driving action than on raising brand awareness" but, combined with the measurement approach outlined in the evaluation, provided largely inconclusive information regarding the program progress or success relative to the adopted statewide ME&O program objectives. For this reason, SCE recommends establishing measurable program performance metrics that closely align with expected outcomes of the statewide ME&O program and Commission direction established in D.13-12-038.

Second, SCE recommends that the Commission require the new statewide implementer to continue to track and examine progress related to customers' awareness and knowledge of the brand and its impact on engagement or behaviors promoted by the program. SCE cites the Opinion Dynamics study to support its assertion that "although some evidence of brand engagement was observed [...], the results from the report indicate that customers are no more aware of Energy Upgrade California now than they were three years ago and few people proactively seek information from the website."<sup>18</sup>

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<sup>18</sup> SCE Opening Comments at 4.

#### **4.1.3. Joint Sempra Utilities**

The Joint Sempra Utilities offer a number of thoughtful suggestions regarding metrics and future evaluations of the Statewide ME&O program.

Regarding metrics, the Joint Sempra Utilities support the establishment of more useful program performance metrics and support collaborative discussion between the statewide and local ME&O implementers in order to develop useful program metrics and market metrics. The Joint Sempra Utilities also recommend that metrics should be consistent across all ME&O campaigns.

To accomplish this outcome, the Joint Sempra Utilities recommend that the Commission use a workshop process to collaboratively develop program metrics for tracking ME&O program progress towards objectives, “as well as market metrics to track overall changes in attitudes and behavior of the California market (not associated with any campaign).” The Joint Sempra Utilities suggest that the Market Transformation Indicator workshop convened by the Commission in November of 2011 offers a successful model for this process. That workshop was preceded by a working group process, wherein M&E staff from the program administrators and Energy Division winnowed a large list of possible metrics down to a dozen for discussion at the workshop by subject matter experts who did not have a financial stake in the outcome of the workshop.

Finally, the Joint Sempra Utilities strongly recommend that all evaluation studies of the statewide ME&O program from 2017 onward be competitively bid to ensure that “the appropriate independent evaluation firms with the specific expertise in evaluation of marketing campaigns are conducting the evaluation of program performance.” The Joint Sempra Utilities suggest that this additional evaluation work bidding process(es) can be overseen by the Statewide ME&O Advisory Board and other program



administrators referred to as entities in the Supportive role as described in the Responsible Accountable Supportive Consulted Informed (RASCI) matrix.

#### **4.1.4. Greenlining**

Greenlining also offers thoughtful observations and suggestions regarding metrics and future evaluations of the Statewide ME&O program.

First, Greenlining notes that “For a long time it was unclear whether Energy Upgrade California was supposed to 1) lead customers to the program administrators (IOUs and RENS) in their area; or 2) encourage customers to buy a product; or 3) change customers’ behaviors and beliefs regarding energy use.” Greenlining thus applauds the Commission’s clarification of a dual role for Energy Upgrade California in the revised vision it adopted in D.16-03-029: “Statewide marketing, education and outreach should serve as a lead generator for local and regional programs and drive consumers to directly take actions to reduce or manage energy use in other ways.” However, Greenlining notes that these combined roles have presented some difficulties in evaluating the program to date, so a key takeaway from the Statewide ME&O evaluation is the importance of setting objectives and metrics for various individual program strategies and activities: the Commission and the EUC program implementer need to develop clear objectives based on the new program goals and to develop the metrics necessary to achieve these objectives.

Second, Greenlining notes that because the program implementer for EUC is essentially expected to act as both social marketer and traditional marketer, there is a need to create new strategies for social marketing and traditional marketing that address the barriers that prevent people from acting: “we have a statewide program that is both trying to change the customers’ behavior around how they manage their energy use and encourage specific actions that lead to purchasing products (such as

buying a new energy efficient product or getting a whole home weatherization upgrade).”

#### **4.1.5. Discussion**

The Commission has stressed the important role of metrics from the inception of the Statewide ME&O program. In D.13-12-038, the Commission found that performance metrics are necessary to track and monitor spending on behalf of ratepayers. The decision adopted seven performance metrics and seven “performance indicators” for those purposes, but also established an advice letter process and directed CSE to follow a collaborative process to work with stakeholder to develop revised metrics, indicators, and target values within 90 days of the decision. Clearly, our adopted process was flawed in concept, because as noted by ODC, the Commission did not adopt final program metrics until May, 2015 – approximately 16 months after D.13-12-038 was adopted. As seen above, those metrics were still faulted by most stakeholders who participated in the process of their development, as well as by the program evaluator, ODC.

In order to avoid a similar outcome with the new program implementer, in this decision we will rely on our adopted collaborative process to produce metrics. We encourage the Joint Sempra Utilities to continue to take a leadership role among stakeholders to incorporate a more rigorous approach into this process. We require metrics supported by all parties. The revised metrics should be included in the five-year ME&O Strategic Roadmap when it is filed and served in this proceeding.

#### **4.2. Second Post-Workshop Question: How should the evaluation reports for cross cutting ME&O help inform the 5-year ME&O roadmap and annual integrated communications plans?**

The second matter addressed in post-workshop comments concerned the “2013-2015 Statewide ME&O Cross-Cutting Process Study” (Cross-Cutting Process

Study). As noted above, this is a multi-phase study effort designed to provide recommendations and feedback for ME&O efforts conducted by the statewide and local program administrators. The objective of the study is to document processes, understand customer engagement, and look at issues around coordination of ME&O implementation between various groups. Since the Cross-Cutting Process Study has not been completed, in this decision, we refer to the study as the “draft” Cross-Cutting Process Study.

The final study will address three objectives and seven “study tasks” within those objectives. First, for the objective of program “Design and Implementation”, the study tasks would explore (i) the statewide governance structure, (ii) budget allocation and tracking, (iii) campaign objectives and activities, and (iv) future program design. Second, for the objective of “Coordination”, the study tasks would explore (i) coordination across ME&O administrators and (ii) referrals to programs run by local program administrators. Third, for the objective of “Consumer Perspectives” the study tasks would explore consumer engagement and interaction with ME&O across program administrators (the intersection of ME&O efforts).

In its workshop presentation, Opinion Dynamics summarized its findings to date, drawn from four of the seven study tasks. Opinion Dynamics stated that it has provided an “interim deliverable” on “Design and Implementation” issues, and had recently completed interviews on the “Coordination” topics of coordination and referrals.

ODC first presented its preliminary findings regarding the approach each administrator uses to determine how it will deploy its marketing dollars for a program/campaign. ODC found that a multi-step process is used, involving (1) the identification of program needs, (2) a determination of how marketing can support those needs, and (3) establishment of ME&O goals for the program cycle.

Second, ODC presented its preliminary findings regarding the question of how ME&O budgets are developed, and how the budgets are connected to program/campaign objectives and goals. ODC found that marketing plans translate ME&O goals into specific activities with budgets designed to achieve particular outcomes. Further findings indicate that while all program administrators develop marketing plans, the timing of their development and use varies across program administrators, programs, and program cycles:

- Program administrators tend to develop more comprehensive and targeted plans for programs with larger energy savings or participation goals.
- Nearly all marketing plans provided campaign objectives, target audience, channel mix and timing. Fewer marketing plans provided key performance indicators (KPIs) or success criteria.

Third, ODC presented its preliminary findings regarding the question of how the program year 2013-14 ME&O budgets were allocated and the reasons for that allocation. ODC found that budget allocation decisions are made based on a goal-setting and marketing needs assessment process, and were driven by specific target audiences and the approaches best suited to them. Among statewide residential EE programs, program administrators allocated the largest ME&O budget to Energy Upgrade California Home Upgrade Program. Opinion Dynamics also found that the program administrators used a wide range of marketing channels to reach their target audiences, identifying 13 “channels” and 10 audience types.

Fourth, ODC presented its preliminary findings regarding the question of what the local program administrators track to assess the effectiveness of their ME&O activities, and found the following:

- Just over three quarters (107 of 141) of the program administrators' ME&O activities reviewed for this task had KPIs;
- The RENs typically have the fewest KPIs, while the investor-owned utilities provide them more consistently;
- KPIs could be either quantitative or qualitative by activity;
- Quality of KPIs varied across program administrators, programs and activities;
- Far fewer program administrators have defined success criteria for their ME&O activities (32% overall; between 0% and 89% per program administrators);
- Program administrators provided achievements for two thirds of their ME&O activities; and
- In nearly all cases, the program administrators do not report results that causally link an ME&O activity to a program outcome.

Turning to the preliminary results of its interviews addressing the "Coordination" topics of (i) coordination across ME&O administrators and (ii) referrals to programs run by local program administrators, ODC reported that it evaluated how well coordination is occurring between program administrators and identified where coordination challenges and opportunities exist. First, all stakeholders mentioned that coordination has generally improved as the various parties have worked together over time, citing improvements such as increased two-way communication, more collaborative quarterly stakeholder meetings, earlier opportunities to provide feedback in the creative process, and improvements to the

TRUMBA marketing calendar.<sup>19</sup> However, ODC also noted that several coordination challenges remain, especially in terms of planning ME&O efforts:

- Separate planning processes;
- Local program administrators do not always have enough lead-time for requests from the statewide implementer;
- The statewide implementer does not receive timely updates on program changes; and
- The statewide implementer does not always acknowledge local program administrators feedback when not used.

ODC concludes that recommendations from this initial phase of research suggest that program administrators implementing ME&O activities should:

- Develop marketing plans for all programs or campaigns with clear objectives;
- Consistently develop KPIs and associated success criteria for their ME&O campaign and specific-activities;
- Determine how the achievement of success criteria will be assessed (i.e., quantitative or qualitative measurement); and
- Track spending on a per activity basis so that return on investment/cost effectiveness can be determined.

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<sup>19</sup> TRUMBA is a company that provides web-hosted event calendar software. (See [www.trumba.com](http://www.trumba.com).)

Finally, with respect to the implications of its results to-date for the five-year ME&O Strategic Roadmap planning process, Opinion Dynamics recommends changes to enhance coordination and support future planning processes:

- Build in lead-time for stakeholders to provide input on statewide marketing efforts;
- Develop feedback loop for integration of stakeholder input;
- Brainstorm strategies for providing regular updates regarding programmatic changes to the statewide implementer; and
- Local program administrator business plans should include information to support coordination of ME&O efforts (e.g., identifying core target audiences).

Parties were asked to discuss in comments how this draft evaluation report should help inform the five-year ME&O Strategic Roadmap and annual integrated communications planning process adopted in D.16-03-029. This question was addressed in comments by PG&E, SCE, the Joint Sempra Utilities and Greenlining.

#### **4.2.1. PG&E**

According to PG&E, the draft Cross-Cutting Process Study provides minimal context for budgets and activities, and thus is an incomplete depiction of the investor-owned utilities' ME&O efforts, rationale, and effectiveness. Due to the incompleteness of the study, PG&E does not recommend using it to inform the five-year ME&O Strategic Roadmap "other than following the pragmatic marketing framework of establishing marketing objectives, defining key performance indicators aligned with objectives, and identifying success criteria for assessing performance of the activity or campaign."<sup>20</sup>

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<sup>20</sup> PG&E Opening Comments at 12.

#### **4.2.2. SCE**

SCE argues that although the draft Cross-Cutting Process Study provides preliminary recommendations useful for the Commission and program administrators to consider as part of the upcoming five-year ME&O Strategic Roadmap and the Annual Joint Consumer Action Plan processes, “the results are based on limited data and additional information is expected to be collected and reviewed prior to finalizing the study. The preliminary conclusions and recommendations do not address or recognize the different business needs of local program administrators.”<sup>21</sup>

SCE recommends that statewide ME&O strategy plans need to maintain the local program administrators’ flexibility: “because the IOUs and RENs are accountable for achieving DSM goals, they need the ability to quickly modify ME&O activities in accordance with changes in strategy to achieve those goals” as well as accommodate local marketing needs and respond to emergency events (*e.g.*, electric reliability concerns as a result of the Aliso Canyon gas leak).<sup>22</sup>

#### **4.2.3. Joint Sempra Utilities**

The Joint Sempra Utilities focus their comments on ODC’s evaluation of “Coordination,” and recommend that the evaluators provide quantitative data on the degree of coordination that has been achieved, not just qualitative information as provided for by the current evaluation. That quantitative data should be made available in time to inform the development of the five-year ME&O Strategic Roadmap and the Annual Joint Consumer Action Plan.

The Joint Sempra Utilities also recommend that an assessment of the appropriate level of coordination should be discussed in ODC’s study.

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<sup>21</sup> SCE Opening Comments at 5.

<sup>22</sup> *Ibid.*



#### 4.2.4. Greenlining

Greenlining observes that the draft Cross-Cutting Process Study stated that it generally found that the local program administrators' ME&O programs lack a way to measure the success of their marketing plans and objectives.<sup>23</sup> The draft Cross-Cutting Process Study also found that the IOUs and RENS' separate planning and budgeting processes prevented timely coordination.<sup>24</sup> Greenlining states that the Commission must keep these issues in mind during the development of the five-year ME&O Strategic Roadmap and the Annual Joint Consumer Action Plan:

The IOUs, RENS, and CCAs should work with the EUC program implementer and the Commission to create one comprehensive statewide plan through the five-year ME&O strategic roadmap.

With the EUC implementer's leadership, the IOUs, RENS, and CCAs should work together to integrate current efforts or create separate program plans, objectives, and metrics for every ME&O program that is integrated under EUC.

In reply comments, Greenlining provides useful insights regarding the concerns expressed by PG&E, SCE and the Joint Sempra Utilities, regarding how, or whether, the Commission should use the final Statewide ME&O and Cross-Cutting ME&O evaluation reports to guide the development of the RFP process and the five-year ME&O Roadmap. Greenlining notes that prior to the April 2016 workshop, Opinion Dynamics shared full versions of these interim reports with the Energy Upgrade California Project Coordination Group (PCG), which includes consumer advocates (such as Greenlining) and representatives of the IOUs and RENS: "for months leading

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<sup>23</sup> Greenlining Post-workshop Comments at 5, generally citing Opinion Dynamics, *2013-2015 California Statewide Marketing, Education, And Outreach Program: Cross Cutting Process Study*. We address the weight we accord these draft findings in our discussion below.

<sup>24</sup> *Id.*

to the release of the interim reports, the PCG members worked with Opinion Dynamics in order to provide feedback, questions, and information, which Opinion Dynamics addressed, on various issues related to the process of developing the two evaluations.” Greenlining states its belief that there has been ample opportunity to provide meaningful feedback in the development process of these two evaluations and observes that Opinion Dynamics staff members have been responsive to PCG members’ concerns.

With respect to PG&E’s criticisms of the ODC studies, Greenlining notes that PG&E is a member of the PCG so it had and it continues to have opportunities to raise its concerns in the PCG and allow Opinion Dynamics to address these issues.

With respect to the critiques provided by SCE and the Joint Sempra Utilities, Greenlining states that it agrees with both parties’ observations and notes that Opinion Dynamics has also recognized these limitations in the evaluation. However, Greenlining asserts that this shortcoming is not entirely the responsibility of Opinion Dynamics because according to the Cross-Cutting Process Study, two of the barriers that the evaluator faced in gathering quantitative data included the program administrators’ inability to provide them with that data, and the fact that the program administrators’ own assessments of their ME&O activities tend to be subjective, and thus, not based on quantitative results.<sup>25</sup> Greenlining urges SCE and Joint Sempra Utilities to continue to work closely with Opinion Dynamics as it completes the Cross-Cutting Evaluation in order to address this issue.

Greenlining concludes by noting that, as stated in Greenlining’s Opening Comments, “integration of all ME&O activities under one overall EUC set of objectives

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<sup>25</sup> Greenlining Reply Comments at 3, citing Opinion Dynamics, *2013-2015 California Statewide Marketing Education & Outreach Program: Cross Cutting Process Study Draft Interim Report* at 17.

and comprehensive strategy will address the bigger issue of lack of quantitative performance metrics and data on the program administrators' local ME&O activities."

#### **4.2.5. Discussion**

As a threshold matter, we recognize that the Cross-Cutting Process Study is not yet complete. We weigh ODC's preliminary findings and recommendations accordingly, meaning that nothing in our decision today relies on those findings. We look forward to receiving and reviewing the final version of the report.

That said, we value the preliminary findings presented by ODC, because they place into context the comments of the parties, particularly the utilities. Broadly speaking, the utilities have at times been critical of the statewide implementer, our adopted governance process, our designation of their roles and responsibilities within our statewide ME&O program, and our adopted metrics. However, ODC has – albeit preliminarily – flagged many of the same challenges for the utilities (and RENs) for which the utilities fault the statewide implementer (e.g., varying quality of Key Performance Indicators, undefined success criteria for some ME&O activities, and reported results that do not causally link an ME&O activity to a program outcome).

These results speak more to the challenges of implementing and measuring ME&O efforts--on either the statewide or local levels – than they do to the sincerity of the efforts of the statewide implementer and local program administrators. The Statewide ME&O program is only in its third year, and we emphasize here that we are very encouraged that ODC reports progress on communications issues. This indicates to us that all stakeholders are growing more comfortable with their respective roles in the program. However, if the evaluators are not receiving the data or other support that they require for their evaluations, it is important that we learn of that quickly. On that note, we appreciate the insights into the dynamics of the collaborative process

provided by Greenlining, and we value the critiques of ODC's draft study provided by SCE and the Joint Sempra Utilities.

We conclude that the final Cross-Cutting Process Study will prove valuable to us in providing guidance and oversight to the roadmap process and the implementation of that result via the one-year plans. Therefore, once the final version of the report is made available by ODC, the assigned ALJ shall initiate a process for comments and reply comments on the report in order to ensure that the roadmap process makes full use of its findings. Upon review of comments, we will determine whether further Commission action is necessary.

**4.3. Third Post-Workshop Question: How should the existing strategies and measurable objectives be updated to reflect the revised vision and goals?**

The third matter addressed in post-workshop comments concerned the strategies and measurable objectives adopted in D.13-12-038, and how they should be updated to reflect the revised vision and goals adopted in D.16-03-029.

In adopting the revised vision and goals, D.16-03-029 also deferred reconsideration of the "strategies" to achieve these goals as well as parties' suggested modifications to the "measurable objectives" that should be pursued in order to implement the strategies. Instead, the Commission directed that for the purposes of the RFP, the strategies and objectives adopted by the Commission in D.13-12-038 should be identified as the existing point of reference for bidders, who could recommend modifications as part of their proposals. The Commission also directed that the April workshop should include discussion of these topics, as informed by the results of the two Commission-ordered EM&V studies.

For purposes of our discussion here of "strategies" and "measurable objectives" we reproduce the current versions below, and roughly match the strategies to the objectives intended to implement them (the ninth objective relates to all the strategies:

“develop an Evaluation, Measurement and Verification roadmap for utility local marketing, and statewide marketing to understand the impacts of local, utility led marketing, and how local and statewide efforts can best be coordinated and complimentary”).

D.13-12-038: Strategies for achieving long-term and short-term goals	D.13-12-038: Measurable objectives for Statewide Marketing, Education, and Outreach
<b>Expand Energy Upgrade California:</b>	
Expansion of the Energy Upgrade California brand to become an umbrella brand that includes information about energy management, opportunities available for residential and small business consumers to act, and benefits of their action.	<ul style="list-style-type: none"> <li>i. Use the Energy Upgrade California brand to educate consumers about the Home Upgrade programs, why energy use matters, how California homes and businesses use energy, as well as energy efficiency, demand response, distributed generation, and energy management actions available to them.</li> <li>ii. Encourage consumers to engage with resources and tools to learn more about their energy use.</li> <li>iii. Inform consumers about the benefits of participating in local program opportunities, seasonal opportunities, or no/low cost actions.</li> </ul>
<b>Targeted, Integrated Marketing:</b>	
For residential customers- the development of messages that are targeted to specific customer groups, are aligned with local marketing efforts, are integrated, and are delivered using multiple channels including partnerships with a range of energy participants including local governments, retailers, realtors, and community based organizations and that incite residential consumers to take action.	<ul style="list-style-type: none"> <li>iv. Provide direction about how consumers can learn more about and enroll in local program opportunities and time sensitive opportunities, or how to take no/low cost actions.</li> </ul>
For small business owners- the development of effective integrated tactics and piloting of methods to communicate with small business owners. Segmentation analysis will be used to develop effective integrated tactics and identifies interests, awareness, needs, and barriers to energy efficiency, distributed generation, demand response enabling technologies, and time of use concepts.	<ul style="list-style-type: none"> <li>v. Identify and pilot messaging and message delivery for partners that complements existing utility partnerships, including, local governments, community-based organizations, retailers, and realtors.</li> <li>vi. Identify and pilot methods to provide information to small business owners.</li> </ul>
<b>Social Marketing:</b>	
Use of social marketing techniques to create emotional and intellectual drivers for consumers to make a commitment to change and participate in energy efficiency, demand response, or distributed generation opportunities.	<ul style="list-style-type: none"> <li>vii. Work with a marketing firm, and use behavior research to develop a social marketing campaign.</li> </ul>
<b>Web portal:</b>	
Creation of a web site that enables consumers to identify information, options and actions that are relevant to them and provides them with a path to get more information or take an action.	(i), (ii), (iii), (iv)
<b>Statewide, Regional and Local Coordination:</b>	
Ongoing information exchange between statewide, regional and local marketing leads, to optimize efficiency of messages and ensure consistency of messages that are communicated to customers that enable consumer action.	<ul style="list-style-type: none"> <li>viii. Coordinate local, regional, and statewide marketing efforts, messaging, and tactics.</li> </ul>

#### **4.3.1. PG&E**

PG&E addresses the program goals, strategies and objectives in its comments.

With respect to the goals adopted in D.16-03-029, PG&E states that while it supports the revised short-and long-term goals, it suggests three areas in which further clarity and/or elaboration of the goals would be helpful.

First, with respect to the long-term goal, PG&E would replace the word “consumers” with the term “IOU customers” to indicate that the primary focus of Statewide ME&O is customers of the investor-owned utilities, with a broader secondary goal of empowering all Californians. PG&E would also replace the term “energy efficiency” with “energy management”: although the original focus of the California Energy Efficiency Strategic Plan was to drive awareness that results in demand for energy efficiency products and services, this has since been broadened through subsequent Commission direction to include the California Climate Credit, Demand Response, Distributed Energy Generation, and the water-energy nexus.

Second, with respect to the short-term goal, PG&E would again change the wording so that the primary focus of Statewide ME&O is the customers of the investor-owned utilities, and a secondary goal is empowering all Californians.

Finally, PG&E requests clarification of the term “customer-owned renewable energy technologies.” PG&E states that because the investor-owned utilities will want to target their efforts specifically, knowing which technologies the Commission has in mind – within the realm of services that IOUs and RENs can appropriately provide – would help ensure that the statewide ME&O program supports the IOUs and RENs in their pursuit of maximum energy management impact at lowest feasible cost.

Moving beyond the program goals, PG&E states that it believes that the strategies, measurable objectives, and governance structure for Energy Upgrade California should be adjusted in order to ensure that they are aligned with each other and with the revised goals and vision.

First, PG&E recommends that the strategies should be converted from directives to “problem statements,” or removed, so that the statewide implementer and stakeholders, working together, may determine how best to reach the goals. PG&E does not explain what it means by “problem statements” but provides an example using the residential customer strategy for “Targeted, Integrated Marketing”:

D.13-12-038 and D.16-03-029	PG&E’ Suggested Revision
“For residential customers- the development of messages that are targeted to specific customer groups, are aligned with local marketing efforts, are integrated, and are delivered using multiple channels including partnerships with a range of energy participants including local governments, retailers, realtors, and community based organizations and that incite residential consumers to take action.”	“Encourage residential IOU customers to take appropriate energy management action through targeted messaging aligned with local marketing efforts and delivered through multiple channels.”

In support of its recommendation, PG&E states that “providing specific direction may result in constraining the Implementer and stakeholders from making the best marketing choices to achieve the Statewide ME&O program’s goals, given the target segment and best means of reaching it. This suggests that the tactics be left up to the Implementer, working in conjunction with the IOUs



and RENs, articulated through the ME&O Strategic Roadmap and Annual Joint Consumer Action plans, with general strategic guidance from the Commission.”

Second, PG&E recommends revision of the current measurable objectives to match the goals, and prioritization of the objectives as either “primary” or “secondary.” PG&E would (1) edit the measurable objectives to better guide the statewide implementer and stakeholders in their program management decisions, and (2) indicate which entity has primary and supporting responsibility for each objective.

PG&E sums up its discussion by citing its previous comments on the October, 2015 Assigned Commissioner Amended Scoping Memo and Ruling, and recommends that statewide ME&O campaigns reflect the principles of a “pragmatic” marketing model which begins with a clear objective; is supported by explicit and measurable strategies, objectives, and tactics, and concludes with an outcome assessment, the findings from which are then reflected in all subsequent campaigns. PG&E states that the Commission’s revised goals, strategies, and objectives provide an opportunity to implement such a model.

#### **4.3.2. SCE**

SCE supports the revised vision and goals adopted in D.16-03-029, but recommends that the Commission revise program metrics to align with the revised ME&O vision, the revised long-term goal, and the nine measurable objectives adopted in D.13-12-038.

SCE also recommends that Objective 6 be eliminated, because that objective (identify and pilot methods to provide information to small business owners) will be complete by 2017. SCE also suggested that Objective 6 is duplicative because targeting the small business audience is also addressed in Objectives 1 through 4.

#### **4.3.3. Joint Sempra Utilities**

The Joint Sempra Utilities request two modifications to the current measurable objectives.

First, because the revised vision now states that statewide marketing, education and outreach should serve as a lead generator for local and regional programs, the Joint Sempra Utilities request that a lead generation objective be added to the other objectives articulated in D.16-03-029, as well as the Annual Consumer Action Plan, and the RFP:<sup>26</sup>

Stakeholders to develop and implement lead generation process by defining what constitutes a “lead,” establish goals as part of the Annual Joint Consumer Action Plan, document a process flow describing how leads are generated and handed off, and define how lead generation activities are measured and tracked to inform improvement opportunities.

Second, the Joint Sempra Utilities propose to revise and consolidate the nine stated objectives to group similar objectives, differentiate between objectives that may actually be considered a “strategy” and prioritize the objectives to maintain focus on the program’s vision and goals. The Joint Sempra Utilities also provide strategies to describe the activities needed to achieve the objectives, but describe them as a starting point that should be flexible in order to adjust based on campaign progress and informed by metrics (this is a reversal of the convention adopted in D.13-12-038 and carried forward in D.16-03-029, where the Commission adopted “strategies” to achieve its goals, followed by

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<sup>26</sup> Joint Sempra Utilities Opening Comments at 7 and 8. Joint Sempra Utilities provided two slightly different versions of this proposed objective, and we have combined the two.

“measurable objectives” to implement the strategies; we address issues of nomenclature below).

Finally, the Joint Sempra Utilities recommend that the strategies adopted by the decision be exemplary only and that the 5-year ME&O Roadmap and Annual Plans should describe strategies in greater detail.

#### **4.3.4. Greenlining**

Greenlining urges that the Commission, having revised its vision and goals for statewide ME&O to emphasize integration, the need for participation by all Californians, and to drive customers from awareness to action, should now create strategies and objectives that aim to integrate all demand-side ME&O programs and to eliminate as many separate and confusing ME&O program and budgetary silos as possible. Greenlining believes this will result in a process where all demand-side ME&O programs and budgets are requested only by the EUC implementer and through only one application.

Greenlining also notes that in order to achieve inclusion of all Californians and to drive them into action, the Commission must push for strong objectives to tailor statewide ME&O social and traditional marketing strategies to communities of color. To implement its recommendation, Greenlining provides entirely new objectives and strategies (like the Joint Sempra Utilities, Greenlining proposes objectives, followed by strategies to meet those objectives).

We list Greenlining’s proposed objectives to provide context for our decision on this matter.

Proposed objectives that lead to integration:

- Integrate all demand-side ME&O programs to conform to one statewide plan.
- Create new ME&O activities that complement existing messaging and message delivery strategies.

Proposed objectives and metrics that lead to inclusiveness and actual participation:

- Launch ME&O campaign targeting diverse communities.
- Launch ME&O campaign targeting minority-owned businesses.
- Transform the Energy Upgrade California website into a “one-stop-shop” web portal.
- Increase partnerships with CBOs that serve diverse, low-income, immigrant, disabled, and limited-English proficient communities.

The utilities objected to Greenlining’s suggestions that the EUC website be transformed into a “one-stop-shop” web portal, and that the EUC implementer should seek authorization for all demand-side ME&O program and budget proposals in one application or single process; we discuss these recommendations at the conclusion of this section.

#### **4.3.5. CSE**

CSE requests that the Commission consider refinements to the vision and long-term goal adopted in D.16-03-029, for purposes of clarification and ensuring consistency.

First, because the Commission noted in D.16-03-029 that the statewide brand should “encompass all demand side programs and strategies, beyond simply energy efficiency”, CSE recommends a slight revision to the “vision” language to clarify this intent:

All Californians will be engaged as partners in the state’s energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of ~~energy efficiency~~ demand side efforts and their opportunities to act. Statewide marketing, education, and outreach should serve as a lead generator for local and regional programs and

drive consumers to directly take actions to reduce or manage energy use in other ways.

Similarly, to ensure that the long-term goal for statewide ME&O aligns with the updated vision by including all demand-side options available to Californians, CSE recommends adding the underlined language below to the long-term goal.

Statewide marketing, education and outreach will lead consumers to products, services and rates that empower all Californians to take actions that will lead to lower bills, higher energy efficiency, and the adoption of demand-side solutions including customer-owned renewable energy technologies.

#### **4.3.6 CforAT**

In reply comments, CforAT agrees with Greenlining that the dual goals of statewide ME&O, to lead customers to programs and products and to motivate customers to take direct action on reducing or managing energy use, are both necessary for EUC to be effective and useful. For this reason, CforAT cautions that “any renewed efforts by IOUs to constrain the program should be rejected.” CforAT cites as one example PG&E’s recommended changes to the Long- and Short-term goals of the program, which remove “action” language; CforAT also interprets PG&E’s suggested revisions as an attempt to restore the primacy of “lead generation” as the focus of statewide ME&O. According to CforAT, PG&E’s changes would not only weaken the program goals, but they would also make it much more difficult to adopt metrics to evaluate the program’s success at meeting its goals.<sup>27</sup>

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<sup>27</sup> CforAT Reply Comments at 1-2.

#### 4.3.7 ORA

In reply comments, ORA also stresses that the dual goals of lead generation and motivating customers to directly take action are both important. ORA suggests that these goals are not mutually exclusive, but actually complimentary and supportive of each other. ORA interprets PG&E's comments as supporting the goal of lead generation over the goal of driving consumers to take direct actions, and recommends that the Commission take care to give equal weight to these goals and not favor one over the other.

#### 4.3.8. Discussion

Regarding the recommended revisions to the adopted vision and short- and long-term goals suggested by PG&E and CSE, Greenlining noted in reply comments that these suggestions would have been timely if made in comments on the proposed decision that became D.16-3-029: the post-workshop discussion questions did not contemplate further revisions to our adopted Vision or Goals.<sup>28</sup> Greenlining is correct, but in the interest of clarifying our intentions, we modify the Vision adopted in D.16-03-029 by adding the underlined and italicized text below:

All Californians will be engaged as partners in the state's energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of energy efficiency *and other demand-side efforts*, and their opportunities to act. Statewide marketing, education and outreach should serve as a lead generator for local and regional programs and drive consumers to directly take actions to reduce or manage energy use in other ways.

We also clarify the Long-term Goal adopted in D.16-03-029 as follows:

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<sup>28</sup> Greenlining Reply Comments at 4-5. ORA and CforAT made similar observations.

Statewide marketing, education and outreach will lead consumers to products, services and rates that empower all Californians to take actions that will lead to lower bills, higher energy efficiency, and the adoption of demand-side solutions including customer-owned renewable energy technologies.

We decline to modify the language adopted in D.16-03-029 by drawing a distinction between “all Californians” and “IOU customers” as requested by PG&E. At this point in the program’s history, no stakeholder would reasonably argue for additional resources based on our adopted language. Furthermore, it is impossible to limit exposure to statewide advertising to “IOU customers,” just as PG&E, for example, cannot ensure that only PG&E customers view its own advertising.

Finally, we agree with Greenlining, CforAT and ORA that neither lead generation nor direct action should be favored as the program is implemented from 2017 onward.

On the broader matter of revisions to current objectives and strategies, as noted above we have concluded that the best approach going forward is to delegate this task to the new statewide implementer, the local program administrators, and other stakeholders – albeit with the specific guidance provided herein.

First, we agree with SCE that the existing Objective number 6 should be eliminated, because it is encompassed within other objectives.

Second, we agree with the Joint Sempra Utilities and PG&E that a new “objective” should be added regarding lead generation. For the purposes of the collaborative process adopted in this decision, the phrasing suggested by the Joint Sempra Utilities is a good starting place:

Stakeholders to develop and implement lead generation process by defining what constitutes a “lead,” establish goals

as part of the Annual Joint Consumer Action Plan, document a process flow describing how leads are generated and handed off, and define how lead generation activities are measured and tracked to inform improvement opportunities.

Regarding those objectives, we decline to label them as “primary” or “secondary” as suggested by PG&E and the Joint Sempra Utilities, because such an “either/or” approach is necessarily arbitrary, and we do not wish to be sidetracked into sorting out any disagreements between stakeholders over categorization. On the other hand, PG&E’s suggestion that each objective include indication of which entities are “Responsible” or in a “Consulted” role is a good one, and should be included in the final version of strategies and objectives that results from the process we describe below.<sup>29</sup>

Third, regarding Greenlining’s more far-reaching proposals, where the EUC implementer would “seek authorization for all demand-side ME&O program and budget proposals in one application/single process” and the Energy Upgrade California website would be transformed into a “one-stop-shop” web portal, we note the unified opposition of the utilities.<sup>30</sup> PG&E replies that Greenlining’s “one-stop-shop” proposal would cause unnecessary duplication of cost and effort. SCE echoes PG&E and adds that the IOUs and RENs have already developed websites for customers to enroll in local programs and request services; according to SCE, these customers have indicated that they are more likely go to the local utility’s website to get information on

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<sup>29</sup> We designated these roles in D.13-12-038 via Conclusion of Law 27, but PG&E’s suggestion to show the responsibilities directly is a significant improvement.

<sup>30</sup> Under Greenlining’s proposal, website visitors would have options to directly sign up for programs or request services from energy service providers.



saving energy.<sup>31</sup> The Joint Sempra Utilities reply that it is premature to consider a single statewide application process to seek authorization for all ME&O program and budget proposals, and Greenlining's proposed strategy to include program enrollment on the EUC site is duplicative.

We will defer action on Greenlining's proposals until we receive the results of the collaborative process that will develop the five-year ME&O Strategic Roadmap and the first Annual Joint Consumer Action Plan. We encourage Greenlining to further develop its proposals for consideration by other stakeholders during that process. For example, we see promise in one of Greenlining's "proposed objective and related strategies that lead to integration:" for the objective of "Integrat[ing] all demand-side ME&O programs to conform to one statewide plan", Greenlining proposes three strategies:

1. All IOUs, RENs, and CCAs will work with the EUC implementer and the Commission to create one comprehensive statewide plan through the 5-year ME&O strategic roadmap.
2. IOUs, RENs, CCAs and EUC implementer will work with Commission staff to integrate current efforts or create separate program plans, objectives, and metrics for every single ME&O program that is integrated under EUC through the Annual Joint Consumer Action Plan.
3. EUC implementer will seek authorization for all demand-side ME&O program and budget proposals in one application/single process.

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<sup>31</sup> SCE Reply Comments at 3, citing Opinion Dynamics Corporation, 2013-2015 *California Statewide Marketing, Education and Outreach Program: Verification and Integrated Effectiveness Study*, at 75.

While the utilities oppose the third strategy, we believe the first and second strategies are consistent with the utilities' comments and merit further discussion and development in the upcoming collaborative process.

Regarding the collaborative process itself, we direct that the Five-year ME&O Strategic Roadmap that is due to be filed and served in this proceeding by the statewide implementer shall include a final version of "strategies" to achieve the statewide ME&O goals, as well as the "measurable objectives" that should be pursued in order to implement the strategies (we directed the inclusion of revised metrics earlier in this decision). All participants in the process may agree upon – and explain – new terms to replace "strategies" and "measurable objectives" if better terms exist. We encourage participants to work collaboratively toward consensus on the final product, but if consensus is not possible, the Commission will decide any disputes.

**4.4. Fourth Post-Workshop Question: How should existing Roles and Responsibilities be updated to reflect the revised governance structure?**

The fourth matter addressed in post-workshop comments concerned how the Roles and Responsibilities established in D.13-12-038 and reemphasized in D.16-03-029 might be updated to reflect the revised governance structure adopted in D.16-03-029. We note here that in D.16-03-029 we did not materially change the current relationships between entities that are inherent in the governance structure adopted in D.13-12-038. Rather, we made one specific enhancement to that structure such that it now features the integrated planning process that includes preparation of the five-year Roadmap and the annual Joint Consumer Action Plans. We had two reasons for building this process into the governance structure. Both relate to our intention to fully integrate statewide ME&O and local ME&O.

First, we responded to parties who suggested that an important immediate step towards fuller integration of statewide and local ME&O should be better coordination of local program administrator marketing with statewide activities. This need for improvement was identified at the local level by the utilities, RENs and MCE, and at the statewide level by CSE. Non-participants in the program (ORA, TURN, CforAT and Greenlining) simply urged improvement as soon as possible.<sup>32</sup>

Second, we identified the need to provide a bridge between our statewide ME&O program and other related proceedings, including energy efficiency, demand response, energy savings assistance program, distributed generation and residential rate reform.<sup>33</sup>

In short, we intend to work toward better integration of statewide and local ME&O by improving coordination between the marketing activities of local program administrators and the statewide program, and by building a bridge between the statewide ME&O program and the ME&O activities funded within other demand-side and rate reform efforts under our purview. Our vehicle for achieving this coordination and bridge-building is the five-year ME&O Strategic Roadmap and the associated annual Joint Consumer Action Plans.

We discuss the process adopted in D.16-03-029 for developing these plans in the following section of this decision. Here, regarding Roles and Responsibilities and whether they should be updated, we begin by summarizing the approach adopted in D.13-12-038 and affirmed by D.16-03-029. Those decisions incorporate a “RASCI” model, with the CEC and the Commission as

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<sup>32</sup> D.16-03-029 at 66.

<sup>33</sup> *Ibid.*

the “accountable” party and the statewide implementer as the “responsible” party.

<b>Role</b>	<b>Description of Role</b>	<b>Entity</b>
RESPONSIBLE	The one charged with delivering the successful outcome; Leads, coordinates, implements; can delegate to others as supportive	Statewide Implementer
ACCOUNTABLE	(also Approver): The ultimate authority who assigns and approves the deliverable	CPUC CEC
SUPPORTIVE	Those who provide resources or play a supporting role in implementation or outcome and deems its success	Advisory Board IOUs RENs
CONSULTED	Those whose opinions are sought for input and/or buy-in and with whom there is two-way communication	IOUs RENs
INFORMED	Those kept up-to-date, often only upon completion, and with whom there is just one-way communication	Stakeholders Public

In D.16-03-029, we stated that parties at the workshop may discuss further enhancing the RASCI matrix to reflect their joint understanding of their respective roles and decision making responsibilities in the statewide ME&O program. In the event, this was not a topic of much discussion at the workshop, but parties later offered the written comments summarized below.

#### **4.4.1. PG&E**

PG&E did not directly comment on the question of how existing Roles and Responsibilities should be updated to reflect the revised governance structure; rather, PG&E tied its recommendations regarding governance to its recommendations of modified strategies and objectives, stating that the strategies, measurable objectives, and governance structure for Energy Upgrade California should be adjusted in order to ensure that they are aligned with each other and with the revised goals and vision.

#### **4.4.2. SCE**

SCE recommends that the Commission defer a final determination on the governance structure and roles and responsibilities until the Cross Cutting Process Study has been finalized and the ME&O Five Year Roadmap and the annual Joint Consumer Action Plans are developed.

That said, SCE also recommends the governance structure include a formal process for the local program administrators to provide input to the statewide ME&O program implementer and for the statewide ME&O program implementer to provide feedback to the local program administrators on whether and how their input was considered.

#### **4.4.3. Joint Sempra Utilities**

Like SCE, the Joint Sempra Utilities request that the Commission require the statewide ME&O implementer to collaboratively design a feedback process or “tracking mechanism” to record recommendations and input provided to the Statewide ME&O implementer, including the action taken by the implementer and an explanation for recommendations that are not implemented.

More broadly, the Joint Sempra Utilities request that several changes to the roles and responsibilities be adopted.<sup>34</sup> The Joint Sempra Utilities state that these modifications are intended to “simplify roles and responsibilities, help distinguish the differences between statewide and local marketing, more easily identify complementary opportunities as well as pinpoint overlap and

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<sup>34</sup> Joint Sempra Utilities also suggest blanket edits so that all references to “CCSE” should be replaced with “SW ME&O Administrator.” All references to IOUs, RENs, or Utilities should be replaced with “Program Administrator.” We will make these changes as we formalize the structure of the program, including the clarifying term of “statewide implementer”.

duplication.” With one exception discussed here, the modifications appear essentially cosmetic, and we defer those edits to the collaborative process adopted in today’s decision.

One modification proposed by the Joint Sempra Utilities warrants discussion. The table below compares existing language with modifications proposed by the Joint Sempra Utilities. The existing language is drafted imprecisely, but the Joint Sempra Utilities’ modification, depending on how it is interpreted, could be problematic:

<i>D.13-12-038</i>	<i>Joint Sempra Utilities’ modification</i>
<i>[The SW ME&amp;O Implementer] will be a participant in the EUC Home Upgrade program coordination, and take a leadership role when matters relate to protecting the EUC brand, and statewide program goals, objectives and strategies.</i>	<i>The SW ME&amp;O Implementer will be a participant in the EUC Home Upgrade program coordination, and take a leadership role when matters relate to protecting the EUC umbrella brand itself. <u>Matters relating to meeting new statewide program goals, objectives and strategies, shall be subject to discussion by the Program Administrators.</u></i>

The existing language is intended to limit this governance item only to matters regarding the EUC Home Upgrade program. The new second sentence proposed by the Joint Sempra Utilities could be interpreted to apply to the entire governance structure, and if retained during the collaborative process, should be clarified so that it applies only to the EUC Home Upgrade program.

In comments on the Proposed Decision, Joint Sempra Utilities concur with the intent of the existing language and request adoption of the following revised language (revisions in italics):<sup>35</sup>

The SW ME&O Administrator will be a participant in the EUC Home Upgrade program coordination, and take a leadership role when matters relate to protecting the EUC umbrella brand itself. *Direct implementation* matters relating to meeting new statewide program goals, objectives and strategies *for the EUC Home Upgrade program* shall *remain* subject to discussion by the Program Administrators *for said program*.

This modification provides useful precision, and should be made along with the other edits that will be made during the collaborative process adopted in today's decision.

#### **4.4.4. Greenlining**

Greenlining agrees with Commission that the current RASCI model is appropriate, but recommends one change, which is to include Community Choice Aggregators (CCAs) in the “supportive” and “consulted” roles because they are also program administrators of various ratepayer-funded demand-side programs that include ME&O strategies. Greenlining states that the Commission must involve CCAs in the planning and implementation process for EUC so that they may provide support and input.

#### **4.4.5. MCE**

Like Greenlining, MCE states that the governance structure of the statewide ME&O program should acknowledge CCAs' ability to administer EE programs, so CCAs should be given the same roles as the investor-owned utilities and Regional Energy Networks. MCE states that it has been

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<sup>35</sup> Joint Sempra Utilities Comments on proposed decision at 3-4.

administering EE programs since 2013, and has filed the first application under the rolling portfolio for a CCA Program Administrator to propose a comprehensive and balanced EE portfolio.

#### **4.4.6. Discussion**

First, we agree with the comments of MCE and Greenlining and will include Community Choice Aggregators in the “supportive” and “consulted” roles because they are also program administrators.

We also agree with SCE and other parties that we should defer a final determination on the governance structure of the statewide ME&O program, and attendant roles and responsibilities, until the Cross-Cutting Process Study has been finalized and the ME&O Five Year Roadmap and the Annual Joint Consumer Action Plans are developed. We will delegate the final formulation of the governance structure and roles and responsibilities to the new statewide implementer, the local program administrators, and other stakeholders – albeit, again, with the specific guidance provided herein. To be clear, that final formulation should be limited to conforming the language describing the structure to whatever revised Strategies, Objectives and Metrics ultimately emerge from the collaborative process. We caution stakeholders not to view our delegation here as an opportunity to dispense with our adopted RASCI structure, or to change their individual roles within that structure. As we have noted earlier, such an effort is more appropriate for a petition for modification of D.13-12-038.

By way of broad guidance, we remind stakeholders that the Statewide ME&O program is intended to serve three purposes, and each stakeholder brings different core competencies to these functions: Marketing, Education, and Outreach. Part of the role of the statewide implementer is to identify and make



optimal use of the expertise of each stakeholder in each of these areas, and it is also incumbent on the stakeholders to focus their contributions on the areas of their own particular expertise. For example, the local administrators surely know their own customers better than the statewide implementer, but their expertise is in providing utility services based on that knowledge, not product marketing. One of the more encouraging developments we have seen in the Statewide ME&O program over the last several years is the manner in which stakeholders appear to be settling into their respective comfort zones and areas of expertise and working more collaboratively with other experts in the process.

Finally, we agree with SCE and the Joint Sempra Utilities that the governance structure should include a formal process for the local program administrators to provide input to the Statewide ME&O program implementer and for the Statewide ME&O program implementer to provide feedback on whether and how their input was considered.

**4.5. Fifth Post-Workshop Question: What should be included in the five-year ME&O roadmap and the one-year joint consumer action plans?**

The fifth and final matter addressed in post-workshop comments concerned discussions at the workshop regarding the planning process for the new governance features adopted in D.16-03-029: the Five- Year ME&O Strategic Roadmap and the annual Joint Consumer Action Plans. Parties were asked to provide comments regarding what should be included in the plans, and what should not?

We reproduce the description provided in D.16-03-029 of both plans and planning processes below:

1. ME&O Strategic Roadmap: To improve longer term planning and coordination, after the utilities file their energy efficiency business plans in R.13-11-005, all

stakeholders in this proceeding should collaborate in a process to develop a five-year “ME&O Strategic Roadmap” that will outline long-term goals, metrics, and strategies, with consideration of what contribution ME&O will play in complying with Senate Bill (SB) 350.<sup>36</sup> Commission staff shall lead this process. The roadmap should incorporate demand response ME&O objectives from R.13-09-011 as well as the strategic action plan for residential rate reform ME&O developed in R.12-06-013. The Roadmap shall be filed and served in this proceeding by the statewide implementer, no later than January 31, 2017.

2. Annual “Joint Consumer Action Plan”
  - a. Commission staff shall develop a preliminary proposal which prioritizes program areas on an annual basis.
  - b. The preliminary staff proposal will then go to stakeholders for their comments and suggestions.
  - c. The statewide implementer shall revise and finalize the proposal and file the resulting Joint Consumer Action Plan as a Tier 1 Advice Letter.
  - d. The Commission’s Energy Division will review and approve the Advice Letter.
  - e. Topics that are ranked as a high priority through this process will be the subject of a one year “Joint Consumer Action Plan” similar to the approach described by CSE in its opening comments:

Each “Plan” would include the goals and objectives, target audiences, high level approaches and strategies, metrics, and implementation roles and responsibilities for each strategy.

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<sup>36</sup> Stats. 2015, ch. 547. SB 350 amends portions of the Public Utilities Code governing ratepayer-funded energy efficiency (EE) programs. The bill also imposes deadlines for certain Commission actions relating to EE.

#### 4.5.1. PG&E

PG&E provides extensive comments, and recommends leveraging the format and template already determined for the Energy Efficiency 5-year business plans set to be filed by each program administrator in R.13-11-005:<sup>37</sup>

- The framework of the business plans basically should remain consistent from sector to sector to provide continuity, efficiencies, and best practices.
- Since the key energy efficiency priorities and strategies supporting the State's primary policy goals will be outlined in each of the program Administrator's business plans, the Statewide ME&O plan should be based on how the program will help complement and augment what is already included in local marketing efforts.
- While the energy efficiency business plans will provide certain inputs, PG&E's understanding is that the overall Statewide ME&O 5-year plan should be inclusive of Statewide ME&O objectives, such that demand generation, rates, greenhouse gas, and demand response are also addressed in the plan.

PG&E recommends that the Five- Year ME&O Strategic Roadmap should include the following sections:

1. Overview & approach which would include an overview of the program, the vision and goals, and high level strategies and approaches, as well as a description of and justification for significant changes from the existing program.
2. Program specific data such as market analysis, EM&V recommendations, customer landscape, major marketing trends, barriers to success, and the approach to achieve the goals.

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<sup>37</sup> PG&E Opening Comments at 14-15.

3. Cross-cutting that includes market characterization, value, vision, metrics, and coordination across the various energy management (energy efficiency, demand generation, rates, etc.) Program Administrators.

Regarding the Annual Joint Consumer Action Plans, PG&E assumes that they will be more tactical and detailed, and will “ladder up” to the Statewide ME&O business plan as well as to the Program Administrators’ business plans for the relevant sectors, residential and small business.

#### **4.5.2. SCE**

SCE recommends that the Five- Year ME&O Strategic Roadmap and the Annual Joint Consumer Action Plans should maintain the local program administrators’ flexibility to accommodate local marketing needs, achieve energy efficiency savings goals and other demand-side management goals, and respond to emergency events.

#### **4.5.3. Joint Sempra Utilities**

The Joint Sempra Utilities support the inclusion of the following items in the Five-Year ME&O Strategic Roadmap: goals, objectives, target audiences, high level approaches and strategies, and metrics. The Joint Sempra Utilities also request that the feedback process described above be included in the Roadmap, as the Joint Sempra Utilities believe that is crucial to the success of the Roadmap. Finally, the Roadmap should also include operationalizing the lead generation objective.

#### **4.5.4. Greenlining**

In addition to the Commission’s description of the Five-Year ME&O Strategic Roadmap in D.16-03-029, Greenlining recommends that the roadmap also include plans to integrate all demand-side ME&O programs, and that the roadmap should also include a specific plan for reaching low income and other hard to reach communities.

Regarding the Annual Joint Consumer Action Plans, Greenlining recommends that the Commission and statewide ME&O implementer should always aim to increase engagement and participation among communities of color and hard to reach communities. The annual Plans should also include strategies that align with strategies being implemented in energy efficiency, low income energy efficiency, and other demand-side program proceedings.

#### **4.5.5. Discussion**

We have little to add to the insightful comments provided by stakeholders and summarized above. We are encouraged to see that they are in alignment with the descriptions of the Roadmap and the Annual Plans provided in D.16-03-029, and that parties already anticipate providing a level of detail and close coordination that will be necessary to move forward on our goals of greater integration between statewide and local ME&O on the one hand, and across Commission-approved demand-side programs on the other.

We do emphasize that we view this “integration” as the next significant step in enhancing the effectiveness of the Statewide ME&O program. We encourage stakeholders to make effective use of the material in our proceeding record encompassing the detailed summaries of the annual budgets for ratepayer-funded marketing, education and outreach activities provided by PG&E, SCE, SDG&E and SoCalGas. This material indicates the scope of resources available to the Commission for the purposes of integrating ME&O messaging across programs and between the statewide and local levels.

Regarding the schedule for the collaborative process, at the April 2016 workshop Commission staff suggested that stakeholders should create the Roadmap by the end of December, 2016 and complete the first Annual Plan in January, 2017. We revise these due dates because the due date for the energy

efficiency business plans in R.13-11-005 is now January 15, 2017. We prefer that the first Annual Plan reflect the content of those business plans. Therefore, stakeholders should complete the Five-Year ME&O Strategic Roadmap by February 28, 2017 and complete the first Annual Joint Consumer Action Plan by the same date. The statewide implementer shall submit the Roadmap to the Commission's Energy Division as a Tier 1 advice letter with service on parties to this proceeding. The Joint Consumer Action Plan shall also be submitted by the statewide implementer as a Tier 1 Advice Letter with service on parties to this proceeding.

## **5. Budget**

In D.16-03-029, we agreed with the consensus expressed in parties' comments that until a new statewide implementer is selected and evaluation results are received, it would be premature to set a budget for 2017. For the purposes of the RFP process, parties were directed to assume a budget level no lower than the 2016 amount of approximately \$23 million per year. Time was included on the workshop agenda for discussion of the budget for 2017 and beyond. In fact, there was little discussion of the budget at the workshop, perhaps for the same reasons noted in D.16-03-029.

### **5.1. PG&E**

In its post-workshop comments, PG&E recommends that the budget for statewide ME&O should be created in direct relationship to the campaigns and tactics determined for the program. PG&E suggests that while prior budgets for statewide ME&O may provide a rough guide as to the relationship between efforts undertaken and costs, future budgets should be determined in conjunction with decisions on the best means for reaching target audiences with key messages using the most appropriate channels and tactics for each audience.

## 5.2. Joint Sempra Utilities

The Joint Sempra Utilities recommend that the Commission revisit the portion of the annual statewide ME&O budget currently allocated to the investor-owned utilities by D.13-12-038. The Joint Sempra Utilities note that budget allocation was not based on actual experience and therefore, did not necessarily account for the administrative work the investor-owned utilities were expected to perform to support the statewide ME&O implementer.

## 5.3. Discussion

Although the process of selecting the new statewide administrator is complete, the contract between PG&E and the winning bidder is not yet in place. At this time, we authorize the outcome of the competitive solicitation process. As stated above, PG&E shall submit a Tier 1 advice letter with the final contract and budget as soon as it is executed. The ratepayers of PG&E, SCE, SDG&E and SoCalGas should continue to fund the annual budget according to the existing percentage shares contributed by each utility: 46.5% for PG&E, 32.4% for SCE, 12.6% for SDG&E and 8.5% for SoCalGas. The annual budget should be allocated to functions based on the percentages adopted in D.13-12-038: Marketing and Education (61%), Outreach (21%), Research (4%), EM&V (4%), statewide implementer administrative expenses (7%), and investor-owned utility administrative expenses (3%).

In response to comments on the PD, we clarify that the budget authorized in the instant decision is in addition to the budget authorized in D.15-08-033. This is to facilitate a transition period in the fourth quarter of 2016 between program contractors."

Regarding the Joint Sempra Utilities' recommendation that the Commission revisit the portion of the annual statewide ME&O budget currently

allocated to the investor-owned utilities by D.13-12-038, we require more information before we can evaluate their request. The proper procedural route for the Joint Sempra Utilities would be a petition for modification of D.13-12-038, so that the Joint Sempra Utilities can provide quantitative support for their recommendation, as well as specify a budget amount, or share of the total budget, that they believe would be appropriate.

## **6. Conclusion**

With the assistance of stakeholders in this proceeding, we embark upon our Short-term goal to better integrate and coordinate statewide messaging across programs and anticipate making real progress toward our vision of engaging all Californians as partners in the state's energy efficiency, demand side management and clean energy efforts. We look forward to receiving the final Five-Year ME&O Strategic Roadmap and the first Annual Joint Consumer Action Plan at the conclusion of the collaborative process outlined and adopted in this decision.

## **7. Comments on Proposed Decision**

As provided by Rule 14.3 of our Rules of Practice and Procedure and Pub. Util. Code § 311(g)(1), the draft decision of ALJ Roscow in this matter was mailed to the parties on August 12, 2016. Comments were filed on September 1, 2016 by PG&E, SCE, Joint Sempra Utilities, and CforAT. Reply Comments were filed on September 6, 2016 by PG&E, Greenlining and CSE. The discussion below is organized by subject matter.

First, several parties addressed the timing of the implementer's submission of the final Five-Year ME&O Strategic Roadmap and the first Annual Joint Consumer Action Plan, and also recommended clarification of subsequent procedural steps (PG&E, Joint Sempra Utilities, CforAT, Greenlining). The PD



has been modified so that the final Five-Year ME&O Strategic Roadmap and the first Annual Joint Consumer Action Plan are both due on February 28, 2017. The purpose of this modification is to provide the new implementer and other stakeholders sufficient time to work collaboratively on the Roadmap, as well as sufficient time for the implementer's development of the annual Action Plan, in light of the fact that one set of inputs to these documents, the 2018 Rolling Portfolio Business Plans to be filed in R.13-11-005 by the seven energy efficiency program administrators are now due on January 15, 2017.<sup>38</sup> We also agree with PG&E that setting the same due date for both documents should ensure that the Statewide ME&O campaign is not out of the market for more than two months at the beginning of 2017.<sup>39</sup> The PD has also been modified to specify that the implementer shall submit the Roadmap and the Action Plan to the Commission's Energy Division as Tier 1 advice letters with service on parties to this proceeding.<sup>40</sup>

Second, we decline to revise the PD with respect to the process for developing metrics. Joint Sempra Utilities recommended conducting a workshop to develop final ME&O metrics after both the 5-Year ME&O Strategic Roadmap and the Annual Joint Consumer Action Plans have been completed, i.e. after program objectives have been defined in these plans. However, Joint Sempra Utilities also recommended that both the Roadmap and Action Plan contain proposed metrics, that could then be presented in the metrics workshop so that public stakeholders can provide feedback and ask questions about the use

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<sup>38</sup> PG&E Comments at 4.

<sup>39</sup> PG&E Reply Comments at 4.

<sup>40</sup> PG&E Comments at 7.

of the metrics, “resulting in more effective and robust metrics.”<sup>41</sup> We do not see the need to adopt this two-step process, and prefer that the final metrics be developed during the Roadmap process itself.

Third, the PD has been revised to address parties’ comments regarding the budget for the Statewide ME&O program (PG&E, SCE). The functional allocation has been revised by merging the separate categories of “Marketing” and “Education” into a single category, “Marketing and Education”, which shall comprise 61% of the annual 2017-2019 budgets. We agree with PG&E that the prior level of specificity could place limitations on the implementer’s program design by creating a risk of over- or under-funding activities.<sup>42</sup> PG&E also requests correction of the PD regarding the percentage shares of Statewide ME&O funding to be contributed by each utility; those corrections have been made.<sup>43</sup> With respect to the funding overlap in the fourth quarter of 2016 between calendar-year 2016 activities and activities for October, 2016 through September, 2017 the PD has been clarified to indicate that the authorized budget for the later period is in addition to the budget authorized for the former period in D.15-08-033.<sup>44</sup> Finally, we affirm that PG&E has correctly interpreted the PD with respect to the timing of the collection of funds and associated ratemaking.<sup>45</sup>

The fourth area addressed in parties’ comments concerned administration of ME&O for the Energy Efficiency Financing Pilots as part of Energy Upgrade

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<sup>41</sup> Joint Sempra Utilities Comments at 6-8.

<sup>42</sup> PG&E Comments at 8-10.

<sup>43</sup> *Id.* at 10.

<sup>44</sup> SCE Comments at 2-3.

<sup>45</sup> PG&E Comments at 10-11.

California. This is the responsibility of the current statewide implementer, and both SCE and the Joint Sempra Utilities recommend that the PD be revised to direct that the 2017-2019 implementer take on this responsibility as well.<sup>46</sup> This recommendation is opposed by PG&E and CSE.<sup>47</sup> We agree with PG&E and CSE that it would be inappropriate to assign the responsibility for administration of ME&O for the Energy Efficiency Financing Pilots to the new implementer at this time: PG&E offers compelling arguments that this work was not included in the scope of work for the 2017-2019 implementer, and would require a last-minute modification to that contract. CSE reasonably requests the opportunity to expand the record on this matter. We acknowledge that Joint Sempra Utilities have raised this matter previously in this proceeding, and we expect to address it as work begins on 2017 activities.

The fifth area addressed in comments relates to EM&V issues (PG&E, Joint Sempra Utilities, Greenlining). Joint Sempra Utilities request that the PD be modified to provide the opportunity for parties to comment on the 2013-2015 Statewide ME&O Cross-Cutting Process Study, and the PD has been modified accordingly. PG&E addresses the “program evaluation process” in its comments and recommends revision of the PD so that the parameters of the implementer evaluation process are clearly stated, and include at least three principles:<sup>48</sup>

- The program evaluation should be designed and undertaken by an entity that is unaffiliated with the implementer;

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<sup>46</sup> SCE Comments at 3. Joint Sempra Utilities Comments at 2-3.

<sup>47</sup> PG&E Reply Comments at 2-3. CSE Reply Comments at 1-2.

<sup>48</sup> PG&E Comments at 6.

- The evaluation should be undertaken by an experienced, independent entity selected through competitive solicitation;
- Input should be solicited from multiple categories of ME&O stakeholders and used in the evaluation process.

We decline to modify the PD as PG&E requests, because these principles are already part of the EM&V process that we adopted in D.13-12-038. Selection of evaluators is the responsibility of the Commission's Energy Division and already follows State of California rules for competitive solicitations. Stakeholders already have input into the evaluation process via the Project Coordination Group process.

Finally, we address several requests by parties for specific modifications to the PD. The PD has been modified to adopt the clarified language provided by Joint Sempra Utilities regarding the Home Upgrade Program.<sup>49</sup> CforAT requests that the PD be modified to provide clarity to intervenors regarding the availability of compensation for future work. This matter could be discussed at a prehearing conference or status conference following issuance of this decision. CforAT also requests further clarity on a number of process-related issues: identification of any further formal Commission action to be taken in response to either the Roadmap or Action plan; how to ensure that ongoing ME&O aims to increase engagement and participation among hard-to-reach communities (as well as clarification of the term itself); more information about the process for considering renewal of the implementer's term; and how coordination of

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<sup>49</sup> Joint Sempra Utilities Comments at 3-4.

Statewide ME&O efforts will be managed effectively.<sup>50</sup> We do not agree that we should provide this level of detail in our direction to parties, who are embarking on what we intend to be their own collaborative process. As just stated, we will resolve the matter of compensation shortly, and to the extent that this enables continued participation by intervenors funded by our compensation program, we expect to be alerted in the event that they feel that the collaborative process is not addressing their concerns.

Lastly, we address PG&E's request that we remove language from the PD that strikes them as "discordant". The PD states that the utilities' and other program administrators' expertise is in providing utility services based on their knowledge of their customers, not product marketing. PG&E interprets this as suggesting "that IOUs should be restricted to providing 'utility services,' and have a limited role in marketing". PG&E reads more into this language than is warranted, but this does allow us to remind PG&E and other stakeholders that the Commission did find the utilities' own marketing, education and outreach plans, as originally filed in this proceeding, to be lacking. For that reason, the Commission adopted the current approach of using a non-utility entity to implement a single statewide plan, albeit one that does depend on leveraging diverse core competencies of various stakeholders. For investor-owned utilities, that core competency is providing safe and reliable utility service at reasonable rates. While the utilities do receive ratepayer funding for staff with marketing and advertising agency experience, in the collaborative model that we adopt today it is the role of PG&E and the other utilities to leverage that experience to

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<sup>50</sup> CforAT Opening Comments at 2-4.

support and ensure the success of the statewide implementer. There is plenty of work to go around, and the success of the statewide ME&O program will be jointly achieved and jointly shared by all stakeholders.

### **8. Assignment of Proceeding**

Carla J. Peterman is the assigned Commissioner and Stephen C. Roscow is the assigned ALJ in this proceeding.

### **Findings of Fact**

1. D.16-03-029 established a detailed Request for Proposal (RFP) process to be used to select the implementer of the Statewide Marketing, Education and Outreach program beginning in 2017.

2. The RFP process included a schedule to be followed by Commission staff and stakeholders in order to develop and finalize the RFP, conduct the bidding process, and evaluate bids and select the winning bidder. That process concluded with selection of the winning bidder on August 2, 2016.

3. In D.16-03-029 the Commission adopted a revised vision for its Statewide Marketing, Education and Outreach program.

4. In D.16-03-029 the Commission adopted revised long-term and short-term goals for its Statewide Marketing, Education and Outreach program.

5. In D.13-12-038, the Commission adopted five strategies to achieve its statewide ME&O goals, as well as nine measurable objectives that should be pursued in order to implement the strategies.

6. The current governance structure of the statewide ME&O program was established by the Commission in D.13-12-038.

7. At this time insufficient information is available about the results achieved by the program in 2014 and 2015 to objectively evaluate parties'

recommendations regarding program strategies, objectives, and governance structure.

8. The results of the “2013-2015 Statewide ME&O Cross-Cutting Process Study” are expected during the fourth quarter of 2016, but some preliminary results were made available to the Commission and stakeholders in April, 2016.

### **Conclusions of Law**

1. The Request for Proposal process used to select the implementer of the Statewide Marketing, Education and Outreach program beginning in 2017 was effective in thoroughly reviewing the competing bids, and in fairly selecting the winning bidder. The Commission therefore should approve the results.

2. The Commission should authorize funding for implementation of statewide ME&O from October 1, 2017 through September 30, 2019.

3. The ratepayers of PG&E, SCE, SDG&E and SoCalGas should continue to fund the annual budget of the statewide ME&O program according to the existing percentage shares contributed by each utility: 46.74% for PG&E, 32.68% for SCE, 12.43% for SDG&E and 8.14% for SoCalGas.

4. The 2017-2019 annual statewide ME&O budgets should be allocated functionally according to the allocation percentages adopted in D.13-12-038: Marketing and Education (61%), Outreach (21%), Research (4%), EM&V (4%), statewide implementer administrative expenses (7%), and investor-owned utility administrative expenses (3%).

5. For PG&E, the cost recovery proposals authorized in D.13-12-038 should remain in effect.

6. For SCE, the authorization in D.13-12-038 to include authorized statewide ME&O funding in its Public Purpose Programs Adjustment Mechanism so that

is collected from 2017-2019 through Public Purpose Programs Charge rates should remain in effect.

7. The recorded operation of SCE's proposed Statewide ME&O Balancing Account should continue to be reviewed and verified by the Commission in SCE's annual Energy Resource Recovery Account Review application to ensure that the costs recorded are stated correctly and are consistent with a final decision issued in this proceeding.

8. For SDG&E, the cost recovery mechanism authorized in D.13-12-038 should remain in effect.

9. For SoCalGas, its authorization in D.13-12-038 to recover the costs of the statewide ME&O Program from the Gas Public Purpose Program Surcharge tariff should remain in effect.

10. The statewide ME&O program implementer should serve under a contract entered into with PG&E within 30 days of the date of this decision.

11. PG&E should continue to serve as the fiscal manager for the contract with the statewide ME&O program implementer.

12. In its role as the fiscal manager for the contract with the statewide ME&O program implementer, PG&E should not have control over the design of or modifications to the statewide ME&O program.

13. The statewide ME&O program implementer should be independently responsible to the Commission for delivering the results of the statewide ME&O program.

14. The Vision for the Statewide Marketing, Education and Outreach program should be clarified.

15. The Long-term Goal for the Statewide Marketing, Education and Outreach program should be clarified.



16. Beginning in 2017, the Statewide Marketing, Education and Outreach program should include an objective reflecting the Commission's directive in D.16-03-029 that statewide marketing, education and outreach should serve as a lead generator for local and regional programs.

17. The final version of the "2013-2015 Statewide ME&O Cross-Cutting Process Study" should be subject to comments by parties in this proceeding.

18. A collaborative, record-based process should be followed by the statewide implementer, local program administrators, and other stakeholders to develop the five-year ME&O Strategic Roadmap and Annual Joint Consumer Action Plans as directed in D.16-03-029.

19. As part of the collaborative process directed by D.16-03-029, the statewide implementer and other stakeholders should also prepare final deliverables including (1) revised strategies to implement the adopted short- and long-term goals of the program; (2) revised measurable objectives to determine success in implementing the strategies; and (3) specific metrics to be used to evaluate the progress and success of the program.

## **O R D E R**

### **IT IS ORDERED** that:

1. The Vision for the Statewide Marketing, Education and Outreach program that was adopted in Decision 16-03-029 is clarified to read as follows:

All Californians will be engaged as partners in the state's energy efficiency, demand-side management and clean energy efforts by becoming fully informed of the importance of energy efficiency and other demand-side efforts, and their opportunities to act. Statewide marketing, education and outreach should serve as a lead generator for local and

regional programs and drive consumers to directly take actions to reduce or manage energy use in other ways.

2. The Long-term Goal for the Statewide Marketing, Education and Outreach program that was adopted in Decision 16-03-029 is clarified to read as follows:

Statewide marketing, education and outreach will lead consumers to products, services and rates that empower all Californians to take actions that will lead to lower bills, higher energy efficiency, and the adoption of demand-side solutions including customer-owned renewable energy technologies.

3. The results of the Request for Proposal process used to select the implementer of the Statewide Marketing, Education and Outreach program beginning in 2017 are hereby adopted and ratified.

4. For the 2017 - 2019 statewide marketing, education, and outreach (ME&O) campaign, Pacific Gas and Electric Company (PG&E), on behalf of itself, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company, shall enter into a contract with the statewide ME&O program implementer within 30 days of the date of this decision. The effective date of the contract shall be no earlier than October 1, 2016 and shall end September 30, 2019. PG&E shall submit the final contract and budget to the Commission's Energy Division in a Tier 1 Advice Letter filing as soon as the contract is executed.

5. The 2017-2019 annual statewide Marketing, Education, and Outreach budgets shall be allocated functionally according to the allocation percentages adopted in D.13-12-038, : Marketing and Education (61%), Outreach (21%), Research (4%), Evaluation, Measurement and Verification (4%), statewide implementer administrative expenses (7%), and investor-owned utility administrative expenses (3%).

6. The ratepayers of Pacific Gas and Electric Company (PG&E), Southern California Edison Company (SCE), San Diego Gas & Electric Company (SDG&E), and Southern California Gas Company (SoCalGas) shall continue to fund the annual budget of the statewide Marketing, Education, and Outreach program according to the existing percentage shares contributed by each utility: 46.74% for PG&E, 32.68% for SCE, 12.43% for SDG&E and 8.14% for SoCalGas.

7. After the Tier 1 Advice Letter required by Ordering Paragraph 4 is filed, Pacific Gas and Electric Company, Southern California Edison Company, San Diego Gas & Electric Company, and Southern California Gas Company shall each file Tier 1 Advice Letters specifying the dollar amounts of their respective statewide Marketing, Education, and Outreach budgets for the period October 1, 2016 through September 30, 2017, and annually thereafter for the twelve month periods ending September 30, 2018 and September 30, 2019.

8. Pacific Gas and Electric Company shall serve as the fiscal manager of the contract with the statewide Marketing, Education, and Outreach (ME&O) program implementer without exercising control over design of or modifications to the statewide ME&O program. Those approvals are the purview of the Commission and the California Energy Commission.

9. Southern California Edison Company shall include the Statewide Marketing, Education, and Outreach 2017-2019 funding authorized in this decision in the Public Purpose Programs Adjustment Mechanism to be collected through Public Purpose Programs Charge rate levels.

10. Southern California Edison Company shall submit for review and verification the recorded operation of its Statewide Marketing, Education, and Outreach Balancing Account in its annual Energy Resource Recovery Account

Review application to ensure that the costs recorded are stated correctly and are consistent with this decision.

11. Once the final version of the “2013-2015 Statewide ME&O Cross-Cutting Process Study” is made available by Opinion Dynamics Corporation, the assigned Administrative Law Judge shall initiate a process for comments and reply comments on the report.

12. A collaborative, record-based process shall be followed by the statewide implementer, local program administrators, and other stakeholders to develop the five-year Marketing, Education and Outreach Strategic Roadmap and Annual Joint Consumer Action Plans as directed in Decision 16-03-029.

13. As part of the collaborative process directed by Decision 16-03-029, the statewide implementer and other stakeholders shall also prepare final deliverables including (1) revised strategies to implement the adopted short- and long-term goals of the program; (2) revised measurable objectives to determine success in implementing the strategies; and (3) specific metrics to be used to evaluate the progress and success of the program. The program implementer shall complete the Five-Year Marketing, Education and Outreach Strategic Roadmap by February 28, 2017, and submit the Roadmap to the Commission’s Energy Division as a Tier 1 advice letter with service on parties to this proceeding. The program implementer shall also complete the first Annual Joint Consumer Action Plan by February 28, 2017, and submit that document separately to the Commission’s Energy Division as a Tier 1 Advice Letter with service on parties to this proceeding. These dates may be changed by the Assigned Commissioner or the Assigned Administrative Law Judge.

14. The Assigned Commissioner or the Assigned Administrative Law Judge shall schedule further prehearing conferences or status conferences as necessary to ensure timely implementation of this decision.

15. Application (A.) 12-08-007, A.12-08-008, A.12-08-009, and A.12-08-010 remain open.

This order is effective today.

Dated \_\_\_\_\_, at San Francisco, California.